

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN STEVE VICK**, on March 26, 2001 at 3:00 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Steve Vick, Chairman (R)
Rep. Dave Lewis, Vice Chairman (R)
Rep. Matt McCann, Vice Chairman (D)
Rep. John Brueggeman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Rep. Edith Clark (R)
Rep. Bob Davies (R)
Rep. Stanley Fisher (R)
Rep. Dick Haines (R)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Jeff Pattison (R)
Rep. Art Peterson (R)
Rep. Joe Tropila (D)
Rep. John Witt (R)

Members Excused: Rep. Tim Callahan (D)
Rep. Monica Lindeen (D)

Members Absent: None.

Staff Present: Linda Keim, Committee Secretary
Taryn Purdy, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:
Executive Action: SB 244, SB 326, HB 640

EXECUTIVE ACTION ON SB 244

Motion: REP. WITT moved SB 244 BE CONCURRED IN.

Discussion:

REP. MCCANN asked if anyone recalled the discussion and if it was needed and what it did to the criteria of prioritization within the TSEP program. **REP. LEWIS** answered the staff said they didn't really need it. He had talked to **Jim Edgcomb** later, and spoken with **Lou Anderson**. They had decided it would be helpful because hookups for low income housing were ranked down on the list.

REP. LEWIS had a letter to the committee saying they thought it would be useful to have the bill, but it wouldn't have much impact.

REP. FISHER said it wasn't necessary to add anything more to the Treasure State Endowment Fund. He said there was enough infrastructure; water and sewer districts and water wells, for the funds available were cut down. The primary objection is that it puts people in competition with local builders. He said that he would vote against it.

REP. HAINES said as he understood it, it adds more criteria, it doesn't replace anything. It was another way to look at the projects coming into this program. He did not see a problem with it. **REP. FISHER** didn't think they needed to add another project.

REP. VICK said this wasn't for housing projects. It related to the infrastructure that might hook up to a housing project. They were not allowed to build a housing project under the TSEP program.

REP. KAUFMANN said the builders supported this because it was more likely that a whole project would go forward if there was some support for the infrastructure. She said she sees no harm in passing this bill.

REP. VICK thought the realtors supported it.

REP. FISHER said infrastructure was normally a product of the developer, but this was not, unless it rolled back into the price of the lot.

REP. VICK explained the TSEP program using a water project in Browning MTW as an example. According to the letter received, it would affect the ranking. He explained water projects in Browning and Shelby, and how the one in Shelby hooked up to a low

income housing project, but the one in Browning did not, and otherwise they were scored the same on public safety issues, etc., the one in Shelby would get bumped up in rank. Because the points are low in the overall score, it would just impact two projects that are close to the bottom of the funding line. If one affected low income housing and the other didn't, they would be more inclined to fund the water project that hooked up to low income housing.

REP. MCCANN said from **CHAIRMAN VICK's** example, the priorities were listed in the Montana Department of Commerce letter, and if there was low to moderate income housing considered as a project, it would jump up substantially to 400 points. It had been discussed fitting between priority six and eight, between community support and long term full time jobs. All of these projects come in with that criteria, but this low to moderate income housing basically elevates urban Montana against rural Montana, unless you can differentiate between them.

REP. KAUFMANN said the water project should get a higher ranking because it would be hard to argue the housing was related to public safety. It was not going to bump a water project out.

REP. MCCANN said they would both be characterized as water projects, but the one addressing low to moderate income housing now has a higher ranking than a water project for a community.

REP. FISHER pointed out the projects would probably take place in an urban area, more so than in a rural area. Small towns of 3,500 and 4,000 people would not have a low income housing project, as much as Great Falls, Bozeman, Dillon and larger areas would. When they don't have to pay for the infrastructure, they get into the lots cheaper, and it has an effect on the surrounding area.

REP. HAINES took the opposite view. He felt bigger cities were more likely to have low income housing projects needing this, because the infrastructure going right down the street past it. Most of the housing developments there were not low income. Some of the more rural, smaller towns would need this kind of project, because they were less likely to have infrastructure in place.

REP. LEWIS referred to a letter from **Bill Anderson**: "the only likely impact the proposed priority would have was on those projects ranked near the bottom. All the projects toward the bottom were there for a reason". **REP. LEWIS** didn't think it would make much difference.

REP. TROPILA closed by asking the committee to read the bottom of page one and the next three paragraphs on page two of **Bill Anderson's** letter. According to this, they were funding most of these projects anyway. This was a "feel good" bill and it might help some community get funding that they wouldn't get otherwise.

Vote: Motion failed 8-10 with Rep. Buzzas, Rep. Callahan, Rep. Haines, Rep. Jayne, Rep. Kaufmann, Rep. Lindeen, Rep. Peterson, and Rep. Tropila voting aye.

Motion/Vote: REP. FISHER moved SB 244 BE TABLED. Motion passed 10-8 with Rep. Brueggeman, Rep. Clark, Rep. Davies, Rep. Fisher, Rep. Kasten, Rep. Lewis, Rep. McCann, Rep. Pattison, Rep. Vick, and Rep. Witt voting aye.

EXECUTIVE ACTION ON SB 326

Motion: REP. LEWIS moved SB 326 BE CONCURRED IN.

Motion: REP. LEWIS moved AMENDMENT 32603 TO SB 326 BE ADOPTED.

Discussion:

REP. LEWIS spoke about Amendment 32603, **EXHIBIT(aph68a01)**, during the hearing. He discussed this with **John Tubbs** and everyone was in agreement. There was \$500,000 of RIT money available in this biennium as one time money. He would like to appropriate this money to be equally distributed to the counties and offer them the opportunity to do more weed control. This was a high priority issue. It was generated because they were hitting the maximum on the RIT money.

REP. KAUFMANN asked if any other program would be hurt by taking the \$500,000 and had it been allocated anywhere. **REP. LEWIS** said he had been assured of twice by **John Tubbs**. He had been waiting to see how **REP. BALES'** bill was moved, and that has gone. There was still \$500,000 available.

REP. KAUFMANN asked why **REP. BALES** didn't use this money. **REP. LEWIS** said that was a ongoing; this was a one time allocation.

REP. BUZZAS asked what the counties normally get. **REP. LEWIS** said this was above and beyond what they normally get, which was an average of \$6,500 per county. He said 44 weed districts divided into the 500,000 would give them each \$10,000 to spend to increase their activities this year.

REP. WITT supported this amendment because counties were being impacted by both federal and state agencies. Federal and state agencies were not doing a very good job of supporting weed control along the Missouri River and lots of other areas in Montana. He felt most counties had the personnel in place to get this started as quickly as possible.

CHAIRMAN VICK noted on the amendment after "There is a one time transfer" and felt it needed to read "in fiscal year 2003".

Vote: Motion carried unanimously to adopt amendment.

Motion: REP. KASTEN moved AMENDMENT 32604 TO SB 326 BE ADOPTED.

Discussion:

REP. KASTEN said Amendment 32604, **EXHIBIT(aph68a02)**, would take 10% from block management and authorize Fish, Wildlife and Parks (FWP) to utilize this for weed control. He didn't have the amount that was going into block management at this point. SB 285 increased \$802,000 in 2002 and the amendment included 10% of that figure. Departmental authority was under chapter 5, 87-1-267. He asked FWP how many dollars would be generated to block management before SB 285. **Paul Sihler, FWP** answered about \$3.5 million.

REP. KAUFMANN asked if this fit within the purposes of the block management program as it was currently envisioned. **Paul Sihler** answered the block management program made payments to landowners for the impacts of hunters who were using those lands and were intended to be included. In reading the amendment, it was not clear if the intent of this was to divert money from the block management program for departmental weed control. The department currently spends \$250,000 to \$350,000 a year on weed management on lands FWP owns. The effect of this would be to double the department's budget for management on department lands.

REP. KAUFMANN asked if this would allow FWP to fight weeds on private lands in the block management program. **Paul Sihler** said that was correct. The impact of diverting the \$350,000 or \$400,000 would be to reduce the number of landowners who could participate in the block management program. Their average payment is \$2,700 per landowner currently.

REP. WITT asked if FWP was going to pay landowners in block management with private property. **Paul Sihler** said the purpose of payments to the landowners in the block management program was for the impacts of allowing hunting. Things like damage to roads, managing hunters, and weeds.

REP. WITT asked what a typical block manager would receive from FWP. **Paul Sihler** said the average payment was \$2,700. By statute, the maximum amount was \$8,000, and under SB 285, that would increase to \$12,000. The minimum was around \$700-\$800 for a small amount of use.

REP. WITT said in terms of the \$2,700 and knowing the size of some of the operations that were involved in block management, \$5,000 or even \$10,000 was a very small amount of money considering what could happen; things like sulphur cinquefoil, leafy spurge, and knapweed. He supported the amendment.

REP. BUZZAS asked if the average payment of \$2,700 would be less if this amendment passed. **Paul Sihler** said this program would take money from the program where FWP pays private landowners, and put it in the account where the department was spending the money on lands the department owns.

REP. BUZZAS asked if they could do it differently and include everyone, but reduce the payment. **Paul Sihler** said there would be fewer private landowners enrolling in the program and receiving payments. The payment schedule was based on the amount of hunter use, so the administrative rule would have to be changed in order to do that.

REP. BUZZAS said it sounded like a negative impact on the number of landowners that would benefit if this amendment were passed.

REP. MCCANN said he had an amendment addressing this issue and asked **REP. KASTEN** to withdraw his amendment to allow discussion to take place. He said in the event that it goes down, they would put **REP. KASTEN's** amendment back on the table. He explained the amendment. The argument being made so far was it penalizes additional block management producers who may want to participate in additional block management. His amendment addressed those concerns of block management, as well as those of the private landowners.

REP. KASTEN said block management was actually increasing the weed problem in his area, but he would be willing to withdraw.

REP. MCCANN said anytime you put your name on the map as a destination spot, all the problems come with it. Over the Interim there were a lot of efforts made, and a lot of arguments. The House floor worked to expand block management, because it was what the public would have available to them at some point in the near future.

CHAIRMAN VICK said since **REP. MCCANN'S** amendment addresses money from FWP, maybe they should have the discussion on that first.

Withdrawn Motion: REP. KASTEN withdrew his motion to adopt Amendment 32604.

Substitute Motion: REP. MCCANN moved CONCEPTUAL AMENDMENT TO SB 326 BE ADOPTED.

Discussion:

REP. MCCANN referred to copy of a table; Other State Accounts (b), **EXHIBIT(aph68a03)**. He proposed was to take a percentage of Other State Accounts (b) up to 8%. That would generate \$527,000 per year to be used in this bill to go out to the counties to address weeds. The wildlife, grasses and weeds were all interconnected, and wildlife do have impacts on Montana lands. It was becoming an issue of whether landowners want the exposure to the public, because then there would be weed problems. In the process of the wildlife living on the private lands, a specific example was mule deer spreading spurge. Livestock don't like spurge, sheep can be directed to eat it, but deer like it. It was appropriate for FWP to participate in the weed arena, other than on their own properties. He asked **Jeff Hagener, FWP** to share his thoughts.

Jeff Hagener, said this becomes an issue of diversion and has gone on for years. Other State Accounts (b) were currently earmarked to those various funds. That would be money coming out of those programs. They have to go through U.S. Fish and Wildlife Service, who have been very strict. If it constitutes diversion, that would subject them to a loss of some federal funds.

REP. MCCANN asked if there was a way to participate in the Weed Trust Fund other than what he had proposed. **Jeff Hagener** said they could see only \$1,000 out of the total that would be a non-diversion type issue. The other thing was the RIT money that **REP. LEWIS** suggested. Also, their expectation on the block management money was that part of the money the landowner received was being used for weed control.

REP. MCCANN asked how FWP can have a program of weed management on their own lands, but they couldn't contribute beyond that. **Jeff Hagener** said it was because they purchased those lands and they were managed specifically for wildlife habitat purposes, and that doesn't constitute a diversion.

REP. MCCANN asked if there still were diversionary issues with the schedule (b) accounts. **Jeff Hagener** said they did a review and it was what they looked at. They could only find \$1,000 that did not constitute a diversion issue.

REP. MCCANN said this table came off the auditor's report. **Jeff Hagener** said they could debate whether this was a diversion or not, but ultimately it was a U. S. Fish and Wildlife Service call. If this amendment were to be passed, they would have to approve any money being spent.

REP. MCCANN showed frustration towards no one showing their cards until he passed the amendment, then this was submitted to U. S. Fish and Wildlife Service, they make the decision and it comes back. He would like to have someone come to the table and say they'd like to participate because it would be good for Montana and needs to be addressed because of the wildlife. **Jeff Hagener** said he could understand that. When he came into the department, there was a lot of money in accounts and he wondered why they couldn't spend it on other things. He has found there is a problem with diversion.

CHAIRMAN VICK said everyone contributed to the weed problem whether they were hauling a boat or a snowmobile. The money was not being diverted for some other use; this was a direct result, if not a part of, the program. Hunters, fishermen, and wildlife help spread the weeds, and they should help control them.

REP. KASTEN thought there was access on private lands also and asked what would be wrong with going to an amendment like this and allowing 10% of the money to go directly to the counties on a pro-rated basis to do what they could on weed control in coordination with FWP. **Jeff Hagener** said when the distribution goes directly to the counties the question arises if it was really for the benefit of block management. There were areas that have block management problems there may be some counties where there is no block management.

REP. HAINES said they tried to raise money to repair roads by using a lottery on an exotic species, and the first thing was the diversion problem. They arranged to let people put money in the pot when they bought their license and if they won the lottery, they did not get the actual license, all they got was the right to buy one. The wildlife committee said that it was not a clear enough disconnect, and would still put the state in jeopardy for the funds they were getting. This weed control issue is the same type of problem, and he is very frustrated too.

REP. WITT asked if FWP already contracted with counties. **Jeff Hagener** said they do have contracts with counties on some of their own properties.

REP. WITT asked if FWP completes the project without county approval and does the county come back ask for assisting paying.

Jeff Hagener said they go through a public process anytime they acquire or establish a fishing access site. Some of those areas are heavily weed infested. FWP also spends money on those sites for that purpose.

REP. WITT said block management follows the county line and impacts more than one county, sometimes three or four. He doesn't know how they could reach a prorated figure, but there was a lot more impact there than anyone wants to talk about.

Jeff Hagener agreed weeds were a major problem and they do get spread by block management.

REP. WITT said in talking about block management and conservation easement funding all contribute to the problem and all should be assessed, on public as well as private lands.

REP. KAUFMANN asked if they could raise the tax instead of taking a percentage out of all these accounts. **Jeff Hagener** said it was possible, and maybe they could get away from the diversion issue by directing the money so it never comes to the department.

REP. MCCANN said his conceptual amendment was 8% reflecting the amount that would be coming into those accounts, but instead of it going into the general licensing account, it would go into the Noxious Weeds State Special Levy Account.

{Tape : 1; Side : B}

REP. BUZZAS asked if this would divert 8% before it goes in and was it federal money. **REP. MCCANN** replied the 8% would indeed be diverted before it goes into the account and this was not federal money, these were all state specials.

REP. BUZZAS commented it sounded like it was illegal to do according to the information received from the director, and she would have to vote against it. She asked if the direction on how the money would be spent came from the federal government. **REP. MCCANN** understood once it goes into the general licensing account, it would become a diversionary issue. No federal entity of FWP had any authority over state specials prior to it going into the state special account.

Dave Mott, Chief Financial Office, Fish, Wildlife and Parks Department referred to the table in Exhibit 3. He explained the table and said it would pay for maintenance on department land, and some of the dollars are license dollars. The rest of the accounts needed to be separated from the diversion issue because they are created in state law for state purposes.

REP. BUZZAS said there seemed to be a legal question regarding this amendment and wondered if the amendment could be done on the House floor.

REP. LEWIS wanted to ask if there was a legal issue under the list of Other State Accounts (b), except for possibly the Real Property Trust Interest. He said this was a priority setting thing, and if the committee decided they wanted to spend 8% on weeds, they would have to argue with the snowmobilers, the motor boaters and the parks people. **Dave Mott** answered yes, this was correct.

CHAIRMAN VICK said because these were earmarked accounts and currently they were earmarked with state law, they would need to adjust that in the bill.

REP. WITT asked if the amendment would earmark 8% of each of these funds to the account. **CHAIRMAN VICK** said they would be changing the earmarking from where it currently is to the Noxious Weeds State Special Levy account. **Dave Mott** gave examples of the main ones. He referred to 02213, OHV Fuel Tax, and said those dollars were used to go back to the grant program for OHV trails.

CHAIRMAN VICK said he would like **REP. MCCANN** to withdraw his motion and **REP. LEWIS** to withdraw his DO PASS motion. He said this deserves more thought, and he would like some participation from FWP so they can help.

Withdrawn Motion: **REP. MCCANN** withdrew the amendment.

REP. KAUFMANN asked if there was a relationship with the park maintenance kinds of programs. **REP. MCCANN** said FWP has many different programs. In HB 5, there is language in section 6 that says FWP is authorized to transfer money appropriated in their sections.

Withdrawn Motion: **REP. LEWIS** withdrew his motion.

EXECUTIVE ACTION ON HB 640

Motion: **REP. LEWIS** moved DO PASS on HB 640

Discussion:

REP. LEWIS discussed the amendment to HB 640.

REP. MCCANN wondered about going from \$100 million to \$500 million and asked if it was necessary to go that high. **REP. LEWIS** said it was \$100 million a year for ten years, so it was \$1 billion authorized, and in talking to the speaker he asked to go with \$500 million total, but there wasn't a lot of discussion.

REP. LEWIS said there were proposals to buy the dams back, to build power plants, and to try and build power lines to break the bottle neck on exporting and importing power.

REP. WITT asked if they would be reducing the \$100 million down and bonding that. **REP. LEWIS** replied yes.

Motion: **REP. LEWIS** moved **AMENDMENT 64002 TO HB 640 BE ADOPTED.**

REP. MCCANN asked if they were lending this money to the private sector. **REP. LEWIS** said yes, the Board of Investments would be lending money to people that apply to do energy projects. This amendment would affect how they get the money.

REP. MCCANN asked if there was adequate leverage to at least end up with some generation facility if they default and what would the position be in the event of a bad loan. **REP. LEWIS** said this was historic legislation that was unique because it authorized the Board of Investments to make direct loans.

REP. MCCANN asked if this would be a matching funds proposition. **REP. LEWIS** said there was a statute stating the Board can't take over 80% of the cost of a project. There has to be at least 20% equity.

REP. DAVIES said based on the cost of the Coal Strip project, \$500 million wouldn't go very far and all your eggs would be in one basket too. **REP. LEWIS** didn't know if the Board of Investments wanted to be in this business. All he was addressing in this amendment was where the money should come from if they do have a program.

CHAIRMAN VICK asked if a language stating the Board of Investments shall make up to \$100 million a year for ten years is still in the bill. **REP. LEWIS** said it was still there. He was striking the sentence beginning with "\$100 million a year may include funds allocated from the Treasure State Endowment and coal severance tax water projects".

CHAIRMAN VICK asked if it was the intent to change the first sentence. **REP. LEWIS** thought they were going to do that.

REP. LEWIS asked if language should change to read: "The Board of Investments shall make up to \$100 million a year for five years". He said that what he had initially intended was to take some of the wording out and say: "The Board can issue \$500 million in bonds and lend \$500 million". That way they wouldn't use trust fund money, Treasure State Endowment or water project money. They would just do one \$500 million bond issue that they can lend money for. Can that be offered conceptually. **Greg Petesch, Legislative Staff**, confirmed all the language about using the trust fund money, Treasure State Endowment, water project, coal severance tax bond, school infrastructure loans, the coal trust value added loans or the electrical energy producer tax contribution would be gone. The idea would be to authorize the board to issue \$500 million in bonds and they would make their loans out of that, for the purposes listed in subsection one.

REP. MCCANN said they must be directly applied to the program provided for in this section after local impacts are addressed. He wondered what it meant and if it was a repayment mechanism. **REP. LEWIS** said he did not know what they intended. The bonds couldn't be issued without an ability to repay, so that would have to be there. He said he just wanted to avoid loaning \$100 million a year for ten years for these projects.

REP. HAINES said he agreed with everything being said, but the other side of the coin was \$500 million wasn't enough.

REP. LEWIS said Section three had \$400 million in authority, so between the two sections there would be \$900 million. **CHAIRMAN VICK** said he talked to **Taryn Purdy** and since this was a conceptual amendment, the language on line 23 starting with "tax proceeds" needs to stay in there. If in fact the tax proceeds are being used to pay off these bonds, that language will remain.

Vote: Motion carried 16-2 with Rep. Buzzas and Rep. Jayne voting no.

REP. WITT asked about the necessity of this bill, and wondered if there was any knowledge of a signed agreement being reached in the near future. **CHAIRMAN VICK** said the speaker indicated he would like this bill to proceed because he believed there were things in this bill to help in the negotiation process with the generators of electricity in the state.

REP. BUZZAS said this bill was nebulous. She felt one thing they should have was a fiscal note or a revenue estimate. She said the committee should not be acting on this bill right now. She was concerned the bill would serve class 14 properties which do not serve Montana.

CHAIRMAN VICK said it was a revenue bill because it generated tax revenue. He mentioned bills that passed through the committee without a fiscal note.

REP. TROPILA asked what Amendment 64001 was about. **CHAIRMAN VICK** said those amendments were withdrawn earlier as they were no longer necessary.

REP. MCCANN asked about striking the 15% and putting in 9½% on the second amendment of 64001. **CHAIRMAN VICK** said that would be all right.

Motion: **REP. MCCANN moved AMENDMENT 64001 TO HB 640 BE ADOPTED.**

CHAIRMAN VICK said that would change the allowance in the second part of Amendment 64001 from 15% to 9½%. The Public Service Commission (PSC) currently uses the 9½% allowance.

REP. CALLAHAN asked about page 11, Section 14. **Mr. Molnar** had indicated that number strikes the 0.015 and inserts the 0.045 and should actually be 5.015. **REP. VICK** indicated they would discuss **REP. MCCANN's** amendment before dealing with that.

REP. MCCANN said 9½% reflects an appropriate allowance, possibly a profit. People would be satisfied with that amount.

Vote: Motion carried 16-2 with Rep. Buzzas and Rep. Jayne voting no.

Substitute Motion: **REP. CALLAHAN moved CONCEPTUAL AMENDMENT TO HB 640 BE ADOPTED.**

REP. CALLAHAN referred to the rates on line 10, page 11 with stricken language of 0.015 and added language of 0.045. He moved the 0.045 be stricken and the number 5.015 be added. He said that his notes indicated that **Mr. Molnar** said that was what the tax rate should have been.

CHAIRMAN VICK said it was double to pay for our electricity, in the form of a tax. **Taryn Purdy, Legislative Staff**, said her notes indicated if a company was to provide pro-ratio shares in Montana, their tax rate would be 0.045, and if they did not it would be 5.015. Only some companies would pay that higher tax.

REP. MCCANN asked where the correct language would be found. **CHAIRMAN VICK** said this was a penalty for selling it above the rate in section one, whether instate or out of state.

REP. MCCANN supported the amendment because they would have to do a lot of work on this bill. He didn't want to let it through with less.

REP. CALLAHAN said his notes indicated, that **Mr. Molnar** had specifically pointed out it was a mistake.

CHAIRMAN VICK asked if they wanted to use the language the Legislative Staffer recommended. **Taryn Purdy** replied it was: "if they provide prorate in Montana, their tax rate would be .045 and if they did not, their tax rate would be 5.015".

Vote: Motion carried 15-3 with Rep. Buzzas, Rep. Fisher, and Rep. Jayne voting no.

REP. DAVIES asked about the legal ramifications of doing this. He said that PP&L bought hydro plants in a deregulated market and this is essentially re-regulating it. **REP. WITT** said that will bring them to the table. **CHAIRMAN VICK** said from the testimony that was the intent. Some of the testimony had also indicated we have an unregulated monopoly. This was one approach and there were several other bills. PP&L has written and pretty much said that they feel they have no obligation to serve Montana customers.

CHAIRMAN VICK felt the committee had an obligation to do something about it.

REP. LEWIS said they were moving a bill forward starting a process of putting pressure on the generating industry in the state.

Motion/Vote: REP. LEWIS moved HB 640 DO PASS AS AMENDED. Motion carried 13-5 with Rep. Buzzas, Rep. Callahan, Rep. Jayne, Rep. Kaufmann, and Rep. Lindeen voting no.

CHAIRMAN VICK said they need a committee bill to authorize using telecommunications money for speech pathology, a dental hygiene program and the HIV aids treatment. It would authorize those three projects of HB 2 that were passed on the House floor. The source of the revenue is MTAP (Montana Telecommunications Act). The deadline to request this bill is next Monday.

REP. MCCANN asked if money was available to fund all three projects. **Taryn Purdy** said the minimum estimate of the excess balance is \$750,000; this would appropriate about \$400,000 of that.

REP. MCCANN said he would support the concept.

REP. TROPILA said the dental hygiene bill would be heard in Senate Finance and Claims tomorrow and there may be some different funding for it.

REP. DAVIES asked if there was any reason not to do this. **REP. MCCANN** said only if you don't like the programs. **CHAIRMAN VICK** said the reason they were taking the dental hygiene program out of it is that there is some concern about the appropriateness. The main reason against this would be if the tax was too high to fund the necessary programs that it was designed to fund.

ADJOURNMENT

Adjournment: 5:00 P.M.

REP. STEVE VICK, Chairman

LINDA KEIM, Secretary

SV/LK

EXHIBIT (aph68aad)